

June 9, 2010

ITEM NO. B4

RATIFICATION OF THE ACCEPTANCE OF A GRANT AWARD FROM THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT'S HOPE VI REVITALIZATION PROGRAM FOR THE STATEWAY GARDENS/PARK BOULEVARD PHASE II DEVELOPMENT PROJECT AND AUTHORIZATION TO INCREASE THE FY2010 COMPREHENSIVE BUDGET AND EXECUTE OTHER DOCUMENTS AS NECESSARY TO IMPLEMENT THE FOREGOING.

To the Honorable Board of Commissioners:

RECOMMENDATION

It is recommended that the Board of Commissioners ratifies the acceptance of a grant award from the United States Department of Housing and Urban Development's (HUD) HOPE VI Revitalization Program for the Stateway Gardens/ Park Boulevard Phase II redevelopment in the amount of \$20,000,000.00. In association with the ratification of the grant acceptance, it is further recommended that the Board of Commissioners authorizes the Chief Executive Officer or his designee to increase the FY 2010 comprehensive budget by the same amount as the grant, and to execute any and all documentation necessary to implement or undertake activities necessary to administer the grant in compliance with applicable laws, regulations or other procedures.

FUNDING

N/A

EXPLANATION

In September 23, 2008, the CHA received official written notice of an award of \$20,000,000.00 from HUD through the HOPE VI Revitalization Program. The CHA received the final and amended HOPE VI grant agreement for execution on May 12, 2010. This grant was competitively awarded to fund the second phase of the Park Boulevard's mixed-income development at the former Stateway Gardens site. With the addition of this HOPE VI grant funding, capital development funds currently committed for the Stateway revitalization effort can now be reallocated to other currently planned but unfunded mixed-income revitalization projects.

Stateway/Park Boulevard's Phase II is in progress and will produce 499 rental and for-sale units. It will be implemented in four sub-phases with development occurring both on- and off-site, Phase 2A is targeted to close by the end of 2010. Of the 1,300 total units originally proposed in the Stateway's master redevelopment plan 239 units have been completed and the first eighty-one (81) public housing families (mostly former Stateway residents) have returned home and prosper in the new Park Boulevard community. Phase 1A delivered a total of 80 units off-site in 2005 and Phase 1B delivered a total of 159 units in 2008.

Stateway Associates, LLC is the master developer for the Stateway redevelopment project and has served in this capacity since the inception of the project.

Based upon the foregoing, it is in the best interest of the CHA to ratify the acceptance of the HUD grant award for the Stateway Gardens/Park Boulevard Phase II Development in the amount of \$20,000,000.00, and to authorize the CEO or his designee to increase the FY2010 comprehensive budget and effectuate the grant and its related activities through execution of any and all documents necessary to implement the foregoing.

RESOLUTION NO. 2010-CHA-83

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated June 15, 2010, entitled "**RATIFICATION OF THE ACCEPTANCE OF A GRANT AWARD FROM THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT'S HOPE VI REVITALIZATION PROGRAM FOR THE STATEWAY GARDENS/PARK BOULEVARD PHASE II DEVELOPMENT PROJECT AND AUTHORIZATION TO INCREASE THE FY2010 COMPREHENSIVE BUDGET AND EXECUTE OTHER DOCUMENTS AS NECESSARY TO IMPLEMENT THE FOREGOING.**"

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners ratifies the acceptance of the HOPE VI Revitalization grant award from HUD in the amount of \$20,000,000.00 for the Stateway Gardens/Park Boulevard Phase II Development, and further authorizes the CEO or his designee to increase the FY2010 comprehensive budget and effectuate the grant and its related activities through execution of any and all documents necessary to implement the foregoing.

